

Provider Preventable Conditions

(Obtained from the Medicaid.gov website at <http://www.medicaid.gov/medicaid-chip-program-information/by-topics/financing-and-reimbursement/provider-preventable-conditions.html>)

Section 2702 of the Patient Protection and Affordable Care Act of 2010 (The Affordable Care Act) requires the Secretary to issue [Medicaid regulations effective July 1, 2011](#) prohibiting federal payments to states under section 1903 of the Social Security Act for any amounts expended for providing medical assistance for health care-acquired conditions. Specifically, the statute directs the Secretary to identify current state practices that prohibit payment for HCAC and incorporate those practices, as appropriate, into Medicaid policy regulations; ensure that the Medicaid HCAC regulations do not impact beneficiary access to care; define the term "health care-acquired condition" in accordance Medicare's inpatient hospital statutory language at 1886(d)(4)(D)(iv); and apply [Medicare's provisions](#) regarding the identifiable [hospital acquired condition \(HAC\)](#) and [never events](#) to Medicaid regulations, excluding any condition identified for non-payment under Medicare that may not be applicable to Medicaid.

Final Rule

On June 30, 2011, CMS published a final rule implementing the requirements of Section 2702. The final rule requires that states implement non-payment policies for provider preventable conditions (PPCs) including health care-acquired conditions (HCACs) and other provider-preventable conditions (OPPCs).

The minimum set of conditions, including infections and events, that states must identify for non-payment are:

Category 1 – Health Care-Acquired Conditions (For Any Inpatient Hospitals Settings in Medicaid)

- Foreign Object Retained After Surgery
- Air Embolism
- Blood Incompatibility
- Stage III and IV Pressure Ulcers
- Falls and Trauma; including Fractures, Dislocations, Intracranial Injuries , Crushing Injuries, Burns, Electric Shock
- Catheter-Associated Urinary Tract Infection (UTI)
- Vascular Catheter-Associated Infection
- Manifestations of Poor Glycemic Control; including:Diabetic Ketoacidosis, Nonketotic Hyperosmolar Coma, Hypoglycemic Coma, Secondary Diabetes with Ketoacidosis, Secondary Diabetes with Hyperosmolarity
- Surgical Site Infection Following:
 - Coronary Artery Bypass Graft (CABG) - Mediastinitis
 - Bariatric Surgery; including Laparoscopic Gastric Bypass, Gastroenterostomy, Laparoscopic Gastric Restrictive Surgery
 - Orthopedic Procedures; including Spine, Neck, Shoulder, Elbow
- Deep Vein Thrombosis (DVT)/Pulmonary Embolism (PE) Following Total Knee Replacement or Hip Replacement **with pediatric and obstetric exceptions**

Category 2 – Other Provider Preventable Conditions (For Any Health Care Setting)

- Wrong Surgical or other invasive procedure performed on a patient
- Surgical or other invasive procedure performed on the wrong body part
- Surgical or other invasive procedure performed on the wrong patient
- **OPPCs identified in the state's plan and according to the requirements of the final regulation**